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TURKEY PRICES TO FARMERS SEEN STEADY THROUGH DECEMBER

The favorable and the unfavorable price-making factors for the rest of this year's turkey crop about balance out, leaving the suggestion that turkey prices at the end of the year won't be much different from a year ago.

In mid-September, with farmers' U. S. average turkey prices 23.7 cents per pound (live), they were 0.8 of a cent higher than last September; but in the last few months of 1957 turkey prices were on an upward trend, while this year they have practically stood still from July to early fall. The monthly U. S. average prices below are in cents per pound, live weight:

	July	Aug.	Sept.	Oct.	Nov.	Dec.
1957:	21.8	22.7	22.9	22.3	23.5	24.5
1958:	24.6	24.9	23.7			

One factor which has a favorable effect on farmers' prices is this year's 4 percent cut in the number of turkeys being raised. Considered together with the population increase that continues each year, it means that this year's per capita production of turkey is down by more than 5 percent from 1957.

However, the effects of this are considerably offset by the large stocks of turkey in storage, and by the awkward

monthly distribution of this year's turkey hatchings.

Storage stocks carried over from the record 1957 turkey crop—at their peak, 23 percent of that crop—were a considerable damper upon prices early in 1958. By dint of retail sales at bargain-basement prices, those storage stocks were considerably reduced by mid-year, but now they have again been built up to new records for the season, beyond year-ago levels. These large stocks—on October 1, they were 161 million pounds—will tend to hold down prices.

Hatchings

Prices for the remainder of the year will also have to withstand the effects of the large late hatch of poults. Monthly hatchings of poults through May amounted to a 10 percent decrease from 1957; but hatchings in June were 4 percent higher than in the year before, and in July, 33 percent higher. These figures indicate that November and December slaughter will be larger than in those months last year contrasting with the below-year-ago slaughter rates in the earlier months of 1958.

Edward Karpoff
Agricultural Economics Division, AMS

Tree Nuts For Eating and For Oil

The holiday season is here and there are still millions of people in this country who can remember when Thanksgiving and Christmas and New Year's were incomplete without some cheery sessions cracking and eating nuts before a roaring fire—or at least before the pot-bellied stove in the living room.

Fashions in heating change, but people retain their liking for edible tree nuts. The Crop Reporting Board finds that 4 of the edible tree nuts grown in the United States—pecans, walnuts, almonds, and filberts—are of commercial importance. The fifth commercially important tree nut native to this country, tung nuts, is used for the production of tung oil.

Production of edible tree nuts, totaled 187,285 tons in 1957. These nuts had a value of \$87 million. These production figures included 70,675 tons of pecans, 66,600 tons of walnuts, 37,500 tons of almonds, and 12,510 tons of filberts. Walnuts means Persian walnuts, also called English walnuts. The term as used by the Crop Reporting Board does not include any of the black walnuts common throughout much of the country.

Leading States

California leads in the production of tree nuts. It has practically all of the commercial almond groves, and most of the walnuts. Oregon, however, produces approximately 10 percent of the walnut crop. Commercial production of filberts is limited to Oregon and Washington, with Oregon having roughly 95 percent of the U. S. crop.

Pecans are grown to some extent in 40 States but are of commercial importance in only 11 southern States,

the belt of States extending eastward from New Mexico to the Atlantic Coast, but excluding Tennessee. The value of the pecan crop came to nearly \$34 million in 1957.

The pecan crop goes to the consumer primarily in the form of nut meats since ordinarily about 85 percent of the crop is shelled and 15 percent is sold in the shell. In contrast about 75 percent of the filberts are sold in the shell in most years—although in 1957 when there was a large filbert crop only 65 percent was sold in the shell. Walnuts show a somewhat different sales pattern. On the average, 55 percent of the walnut sales are in the shell; 45 percent are shelled and sold as nut meats.

Tung Nuts

Don't forget the tung nut even though you won't be able to eat it during the holidays.

Tung oil is a drying oil with high waterproofing qualities. It is used in varnishes, paints, printers' ink, among other products requiring drying oils. Production is centered in the southeastern part of the United States, principally in Mississippi, Louisiana, Florida, Georgia and Alabama.

Production of tung nuts totaled 82,600 tons in 1957, compared with a 10-year average of 69,797 tons. First big plantings of tung trees were made in the 1920's and trees were bearing by the time of World War II. Thus our domestic production supplied several million pounds of oil during the war when supplies were cut off from China.

Earl L. Park

Agricultural Estimates Division, AMS

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HERE ARE MARKETING AIDS FOR TOBACCO GROWERS

Tobacco growers who do the best job of preparing their crop for market—all other things being equal—should be able to realize the best returns.

To help them with this job, the Tobacco Division of the Agricultural Marketing Service, which provides free Federal inspection and market news services on all tobacco auction markets, also offers growers frequent demonstrations on proper methods of grading and preparing tobacco for market.

Demonstrations

These demonstrations are conducted by the same Federal tobacco inspectors, highly trained in farm grading and marketing of tobacco, who during the marketing seasons are assigned to auction warehouse floors to apply the official standard grades.

Through cooperation with county agents and agricultural teachers, tobacco inspectors hold demonstrations on growers' farms, at tobacco sales warehouses, and at schools. They also appear on programs of farm organizations and civic clubs to discuss better marketing practices.

Inspectors point out that official grades are based on group, quality, color, and other characteristics of tobacco. They tell growers how these factors relate to farm sorting and stress the importance of uniform sorting according to stalk position, color, and maturity.

They urge growers to keep tobacco free of foreign matter, to tie head of hands or bundles uniformly, and to have their tobacco in proper case.

One practical method frequently used in demonstrating the sorting and preparing of tobacco is to ask growers to bring in small lots of their tobacco. Then the inspector can show the grower just how Federal specifications would be applied to his crop.

At the demonstration meetings, the inspectors also explain how growers can make the best use of the Federal inspection and market news services. They distribute copies of official grade standards and point out the factors that determine the grade. They show how the daily market news bulletins, issued at every auction market during the marketing season, can be used by the grower to obtain the best possible price for his product.

Printed material explaining the Federal tobacco inspection, market news and demonstration services as they apply to each class of tobacco is offered growers, too.

Market Reviews

Also made available to them are market reviews covering such information as opening and closing dates of all markets, number of warehouses and buyers for each market, warehouse charges, summary of sales by crop years and by States and months, producers' sales and resales by markets, price charts covering many years, average price per grade each week of the marketing season, percentages of each group, quality, and color in each crop.

The tobacco grower who knows—and makes use of—the many marketing aids offered him by AMS tobacco specialists can place himself in the best possible marketing position.

Glen R. Hendrix
Tobacco Division, AMS

What Is 1959 Outlook For Your Commodities?

For experts' opinions on next year's farm outlook read the special December Outlook issue of Agricultural Situation. It will contain articles on all major farm products as well as a general survey of 1959 prospects.

WHAT MAKES A GOOD DATE?

How does a date grower know that he has produced good fruit—fruit that will delight the palate of the consumer?

Marketing Research Division, Agricultural Marketing Service, is looking into this question. The answer isn't easy chiefly because so many standards of quality that can be used for other commodities are inconclusive when applied to dates. But there's no doubt there are several ways in which the grower can improve his dates—and perhaps his sales.

Let's dispose of the negative side first.

Flavor, texture and color should be 3 of the most important qualities of dates. In varieties normally moderately light in color, the degree of darkness, general appearance and softness is probably the best nondestructive indicator of quality. However, there is at present no objective way to measure and express the depth of color in dates. Nor is there any way to express flavor and texture objectively. The total sugar content of your dates is of little value in trying to measure their quality. All dates that are acceptable in other respects are certain to have adequate sugar content, so that proves nothing.

Similarly, you can't judge a good date by its smell except in extreme cases. The fragrance of good fresh dates is short-lived even under the best available storage conditions and lack of fragrance doesn't necessarily indicate that the date is in poor condition.

Ways To Improve

Now for the constructive part: what can be done to improve the quality of dates and thereby increase sales? There are 3 avenues: curing, hydration and processing.

In curing dates, the tissue breakdown that began with the ripening of the fruit is carried through to the degree you desire, then part of the moisture is removed.

The amount of curing needed is determined by the condition of the fruit and the goal you have set. Soft-type dates are commonly cured at temperatures of 95° to 115° F. but the Deglet Noor variety usually at temperatures that do not exceed 95° to 100° F. The flavor is improved by curing at lower temperatures but the process takes longer.

Dates that are moderately dry and hard usually can be improved by either of the other 2 methods, that is, by steam hydration or by processing (vacuum infiltration).

These dry dates usually have a low pH value and the lower the pH the more difficult they are to soften by either process. It's easier to soften the drier, more acid dates by infiltrating them with an alkaline solution at pH 8.0 to 8.5. The strength of the alkaline solution depends, of course, upon the acidity of the date.

Chemicals Used

Ammonium sulfite at a concentration of 1,000 to 2,000 p. p. m. sulfite is the most effective reagent that has yet been used experimentally. The ammonium ion reduces the acidity and the sulfite prevents undue darkening.

Sodium bisulfite is an effective softening aid but it makes the dates darker than does ammonium sulfite. Ammonium hydroxide and carbonate also produce dark dates.

Once you have improved the quality of your dates how can you keep them improved?

Marketing Research finds there are a number of ways. These include drying, use of a volatile fungicide, pasteurization, packing in vacuum or in an inert gas and the use of low temperatures in storage and transit. Antioxidants have not been helpful.

One final word: dates should be marketed as soon after being removed from cold storage as possible if you want to keep the benefits of cold storage.

G. L. Rygg

Marketing Research Division, AMS

"Bert" Newell's **Letter**

Here it is fall again. My wife and I like the fall. Usually, we try to drive out through the country to enjoy the handiwork of old "Jack Frost." It's wonderful the effects he gets as he frolics about, splashing his paint hither and yon—a great gob of yellow here, a splash of red there; and then once in awhile he seems to stub his toe and spill all his colors down a hillside, where they run together in all sorts of combinations that make a breathtaking picture, against a blue sky or reflected in the mirror of a lake.

Harvest is a nice time of year, especially if it's a good harvest. When it is done we have a little time to reflect on the wonders of it all.

I save some seed every fall and marvel at the great plant that those little seeds contain. The tiny petunia seeds or cabbage seeds, for example, are so small it is difficult to realize what magic they hold.

For the country as a whole this has been a year of good harvest. There were, as always, some spots where things didn't turn out so good. In parts of the South, for example, there was too much rain for the cotton crop, but how it did make the pastures grow.

Then, in parts of Minnesota and Wisconsin and in North Dakota and Montana along the Canadian border, there were places where the dry weather really hurt. But all in all, the indications now are that the total crop production for 1958 will be a record.

After harvest comes marketing. Some crops move to market either for direct consumption, as some part of the fruit and vegetable production; others go to processors. A large part of our feed crops are processed on the farm; that is, they are fed to livestock

for meat or dairy production or to poultry for eggs or meat.

Whatever the method, orderly marketing requires accurate knowledge of supplies. These facts are vital to farmers. Sometimes we don't always appreciate the ways in which they really help but, of course, I know you do. Without dependable knowledge of the total supply orderly marketing would be impossible. Markets would fluctuate widely—up and down—and in such a fluctuating market it seems that the farmer frequently gets caught on the downs.

This market reporting system that was created by farmers—your father, and in some cases, your father's father—has come to be a necessary part of this whole complicated economy of ours. But it's not surprising to me that farmers were the first to realize the necessity for such basic facts.

I think that people who live close to the soil are inevitably people of vision. Their appreciation of the wonders of the seeds they plant and their constant close association, throughout all the seasons, with the great works of the Creator gives them an understanding that enables them to put things in their proper perspective. Petty things, the wild promotional schemes, or the shady deal, are as a pane of glass to them; and are far out of place in the great outdoor setting in which they live and work.

All that the originators of this reporting service asked was to be provided with the truth about their crops. With your help that is still our only objective.

Well, it's getting a little late for the most brilliant of the colors but we're going to drive out toward the mountains next week and enjoy the softer tones and give thanks again for our great, free Country. We hope you have a bountiful harvest and a good Thanksgiving.



S. R. Newell
Chairman, Crop Reporting Board, AMS

P. & S. ACT BROADENED TO AID MORE PRODUCERS

Last year a Midwestern cattle dealer was barred from doing business for four years when it was found that he had defrauded farmers in the purchase and resale of stocker and feeder cattle—misrepresenting by 5,715 pounds the weight of cattle he sold them.

The suspension of this dealer's registration was ordered by the U. S. Department of Agriculture, which also ordered him to cease and desist from such practices and to keep records that will disclose all transactions involved in his business.

Sentence

As a result of the USDA investigation of the case, the Government also brought criminal charges against the dealer. He received a suspended sentence and was placed on probation for four years with the condition that he make restitution to the farmers defrauded.

This case is just one example of the protection given farmers by USDA under the provisions of the Packers and Stockyards Act, a Federal Statute enacted in 1921. Now a recent amendment to the Act will extend its protection to many more farmers and ranchers.

The amendment brings all interstate livestock transactions under the jurisdiction of USDA's Agricultural Marketing Service, which administers the P. & S. Act. Previously, only auction or terminal markets covering 20,000 or more square feet, and with interstate business, were subject to the Act. This size restriction was removed by the amendment. The change in law also modified some USDA responsibilities in the regulation of meat packers' activities.

Primarily, the Act is intended to assure livestock producers of open, competitive markets, free from unfair trade practices. It also has the effect of insuring fair play in transactions between packers and producers.

It safeguards producers' returns from the sale of livestock by requiring that market agencies and dealers buying or selling livestock in commerce carry a bond based on volume of business. Another protection is the requirement that no operator of a selling agency may use the money received from the sale of livestock for his own use.

"Posted" livestock markets—those operating under the jurisdiction of the Act—are subject to regulations in regard to facilities, selling services, weighing, accounting, and business practices generally. At a posted market, the producer is assured of the best possible price because there, buyers must compete fairly against each other in bidding. Any agreement, system, or device among livestock buyers to restrict competition that becomes known to P. & S. marketing specialists is brought to a halt.

All scales at such markets must be tested twice a year and they must be operated by an efficient and properly instructed weighmaster.

Farmers and ranchers selling livestock through a posted market must be paid promptly and they must be furnished with a true and full accounting of all the facts connected with the sale. These facts include the name of the buyer, number of head sold, weight and price for each head, and the total amount of the selling price. In addition, the account of sale must itemize such charges as feed, insurance, commission fees, and all other expenses deducted from the sale price.

Adequate Facilities

Posted markets are required to furnish, at a reasonable cost, adequate facilities and services for handling and selling livestock. They must, for instance, have suitable pens and unloading docks and provide enough good feed and potable water so that shrinkage will not be excessive.

The Packers and Stockyards Branch, of the AMS Livestock Division, charged with carrying out the provisions of the Act, make sure that these and other provisions of the law are being met by posted livestock markets.

Representatives of the branch make regular supervisory trips to check on the operations of these markets. In addition, any farmer or rancher may file a complaint if he believes his livestock are being mishandled by anyone subject to the Act. Such complaints are investigated, without cost to the complainant.

If they prove justified, a reparation may be awarded and a cease and desist order may be issued against the person or firm found in violation.

When a violation of the Act is discovered, sometimes a warning is sufficient to put an end to the practice. If a warning fails or the violation is serious, formal action is taken by USDA.

If, after a public hearing, a firm or individual is found to be in violation, the Secretary of Agriculture may issue a cease and desist order and order a suspension. A person so penalized could not do business at any posted market. In addition, criminal violations may be referred to the U. S. Department of Justice for appropriate action. Defiance of a cease and desist order could bring civil or criminal penalties.

Scope

Protection afforded by the Act is currently provided at approximately 605 posted livestock markets. Because of the recent change in the law there are now more than twice that number that meet the jurisdictional requirements of the Act.

The Packers and Stockyards Branch is moving ahead with all possible speed to extend the posting program to these additional markets and so provide the safeguards of the P. & S. Act to as many farmers and ranchers as possible.

Donald L. Bowman
Livestock Division, AMS

Telephones Found On 55 Percent Of Farms

More than half the farm homes in the U. S. have telephones, the Crop Reporting Board says in its latest survey on the subject. As recently as 1940, the proportion had been only one-quarter, exactly 25 percent.

The Crop Reporting Board says that 2,684,000 of the Nation's 4,855,800 farm homes (55.4 percent) had telephones in 1957.

Big Increase In South

Largest percentage increases in telephone service since 1940 have come in the South Atlantic States. Louisiana leads all States in percentage increases since that year.

Texas, with the largest number of farms in 1940, also had the largest increase in the number of farm phones since that date. However, the State with the largest number of farms with telephones in 1957 was not Texas, but Iowa with 174,000 telephones.

Roger F. Hale
Agricultural Estimates Division, AMS

Chance To Help With The Pecan Estimate

Thousands of pecan growers will soon receive the December 1 Pecan Inquiry from the State Agricultural Statistician.

Please fill out and return this questionnaire promptly. The information you furnish is used by the Crop Reporting Board to make the preliminary estimate of the 1958 crop. Both growers and buyers need the best estimate possible.

WHERE DOES THE TOBACCO GO?

In recent years, the total quantity of U. S. tobacco used and exported each year has amounted to approximately 1.9 billion pounds on a farm-sales weight basis. This staggering figure includes all the different types of tobacco grown in our country.

Tobacco manufacturers in the U. S. absorbed about 1.4 billion pounds and exports of leaf to well over 100 foreign countries have averaged approximately 550 million pounds. While the United States is the leading tobacco exporting country, it also regularly imports substantial quantities of tobacco from Turkey, Greece, Cuba, and, to a lesser extent, the Philippine Republic.

Imports

In addition to the 1.4 billion pounds of U. S. tobaccos used annually, 110 to 125 million pounds (import weight) of foreign tobaccos are used each year, mainly for blending with our own types to make the tobacco products desired by consumers.

Of course, by the time tobacco reaches the final product stage, the original farm weight does not measure actual volume, since moisture content has been reduced, much of the stems have been removed, and there are other smaller weight losses in storing, aging, and processing.

Who are the consumers that furnish such an enormous market for tobacco grown by U. S. farmers? How many are there in the United States and its overseas forces?

Tobacco consumers represent a varying but generally substantial cross section of most population groups. Differences in total tobacco used are, of course, apparent as between the sexes and among some age groups. This results from differing rates of smoking, number in the age group, and percentage of smokers.

Smoking is widely prevalent among men regardless of age, industry, occupation, race, income, residence, or broad geographical location. Cigarettes are favorites, but cigars or pipes,

or some combination of the three forms of smoking is also widely practiced.

Women smokers stick to cigarettes. Men, however, consume a sizable volume of tobacco in chewing and snuff products also. In the recent fiscal year, consumption of chewing tobacco and snuff totaled nearly 70 million and 35 million pounds, respectively. There are some female users of snuff, but figures are not available on this point.

There are about 59 million daily smokers and another 6 million who smoke occasionally. The number smoking cigarettes daily is about 33.5 million males and perhaps as many as 21 million females. Approximately 11.8 million men smoke cigars regularly or occasionally. Over 8 million men smoke pipes regularly or occasionally. A substantial number of those smoking cigars or pipes occasionally are daily smokers of cigarettes.

Cigarettes absorb four-fifths of the tobacco that is used in domestic manufacture. In the recent fiscal year, 449 billion cigarettes, a record number, were manufactured. Of the cigarettes produced, all, except the roughly 4 percent exported for foreign consumption, are smoked in this country and by members of U. S. overseas forces.

It is estimated that male and female smokers aged 25-54 smoke 46 and 22 percent of the U. S. total, respectively. Male and female smokers aged 15-24 probably account for 14 and 6.5 percent respectively, and male smokers over 55 account for 9 percent. The remaining 2.5 percent represents the share of women 55 and over.

Young Smokers

On the average, male cigarette smokers smoke about a third more per day than females. For both sexes, smokers 25-54 years tend to consume more than members of any other age brackets.

Cigars absorb about a tenth of the tobacco that is used in domestic manufacture. In the recent fiscal year,

the output of cigars (including those from Puerto Rico) numbered about 6.3 billion. This is the largest number since 1929. Practically all the cigars produced in the United States are consumed by U. S. smokers. Exports usually amount to only about a tenth of one percent of total output.

Who Smokes Cigars?

Probably two-fifths of all cigar consumption is accounted for by men who are not daily, but still fairly frequent cigar smokers. Younger men, 18-24, smoke only about 5 percent of all cigars; those above 65, nearly 16 percent. Between these younger and older groups, men aged 25-44 and 45-64 account for about 37 and 42 percent of the cigars respectively. Regular cigar smokers, 45 to 64, tend to consume more cigars a day than those in the other age groups.

Approximately a tenth of the tobacco used in domestic manufacture is used for packaged smoking tobacco, chewing tobacco, and snuff. Packaged

smoking tobacco is bought for pipes and "roll-your-own" cigarettes. The output of smoking tobacco in the 1957-58 fiscal year totaled 75 million pounds. This is higher than a year earlier, but far below the figure 10 years ago and in prewar years.

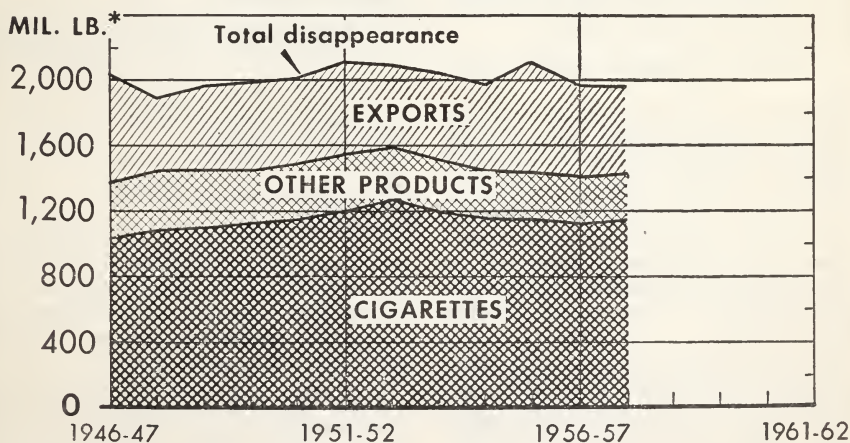
Survey information is available on pipe smoking, but not on "roll-your-own" cigarettes, chewing tobacco, and snuff.

A substantial number of men smoke pipes occasionally, but not every day. Among pipe smokers, younger men 18-24 years consume about 6 percent of the pipe tobacco while those above 65 years smoke 26 percent of the total. Pipe smokers aged 25-44 and 45-64 use up about 29 and 39 percent, respectively, of all pipe tobacco. Pipe smokers above 35 years of age smoke more pipefuls a day than those younger. About 1 in 10 farmers smokes a pipe regularly, compared with 1 in 16 of most occupational groups.

Arthur G. Conover

Agricultural Economics Division, AMS

DOMESTIC USE AND EXPORTS OF U. S. TOBACCO



MARKETING YEARS JULY-JUNE FOR FLUE-CURED AND CIGAR WRAPPER; OCT.-SEPT. FOR ALL OTHER TYPES

*FARM SALES WEIGHT

CORN GROWERS TO VOTE NOV. 25 ON FUTURE CORN PROGRAM

Corn growers in the commercial corn areas will determine in a referendum November 25, 1958, the corn program which will be in effect in 1959 and later years.

Their referendum choice is between two programs, as offered by Congress in the Agricultural Act of 1958.

In general, anyone who produced corn in the 1958 commercial corn area or had an interest in such a corn crop in 1958 is eligible to vote. In addition, a corn producer may vote in case he had a 1958 allotment but produced no corn; planted corn but did not harvest it; or placed his 1958 corn allotment in the Soil Bank.

Simple Majority Rules

Program No. 1, a new program, will be stated on the ballot as follows:

"Discontinuance of corn acreage allotments for the 1959 and subsequent crops and price support on corn as provided for in the Agricultural Act of 1958."

If a simple majority of the votes cast by producers favor this program, there will be a new corn program beginning in the 1959 crop year. The main features of this program would be:

A. No acreage allotment controls on corn.

B. Price-support available for all corn of eligible quality, at the same "national average" level. (If the new program is approved, price support for other feed grains will be mandatory at levels determined to be fair and reasonable in relation to the price support for corn, taking into consideration the relative feed value of the commodity and other factors.)

C. National average price support at 90 percent of the average price for corn received by farmers for the 3 preceding years, but not less than 65 percent of the parity price.

D. No designated commercial corn area.

For 1959, it is estimated that the national average price support level under Program No. 1 would probably be about \$1.12 to \$1.15 per bushel.

Program No. 2, essentially the same program now in effect, will be stated on the ballot as follows:

"Corn acreage allotments as provided for in the Agricultural Adjustment Act of 1938, as amended, and price support on corn as provided for in the Agricultural Act of 1949, as amended."

If a simple majority of the votes cast by producers favor this program, the same type of program which is now in effect would be continued. The main features of this program would be:

A. A national corn acreage allotment each year, with the size of the allotment governed primarily by the corn supply. Individual allotments, as shares of the national total, for all corn farms in the commercial area.

B. Price support available, in commercial areas, only for corn produced in compliance with farm acreage allotments. It is not planned to continue supports on corn not in compliance with acreage allotments.

C. Price support within a range of 75 to 90 percent of parity, depending on the corn supply situation.

D. Establishment of a commercial corn area each year.

Acreage Probably Down

The 1958 national corn acreage allotment was 38.8 million acres. Because of heavy current corn supplies, the 1959 allotment would probably be about 33 million acres—down about 15 percent from this year.

For 1959, it is estimated that under Program No. 2 the national average level of price support available for corn produced in compliance with farm allotments would probably be about \$1.24 to \$1.27 per bushel.

Less Home Food Production Increases Market Sales

It's fairly well known that families in the U. S. are not producing as large a proportion of their food now as they did even a few years ago—during World War II, for example. How does this affect the grower?

Farmers' sales of food commodities in 1955 were about one-tenth higher than would have been the case if families had home-produced the same proportion of their food as in 1942, the Agricultural Marketing Service says. AMS estimates that 17 percent of all food consumed by civilians in this country in 1941 was produced at home. In 1955 the figure was only 9 percent.

Less Chickens, Other Items

Consumption of home-produced chicken fell from 32 to 18 percent of all chicken consumed, of home produced eggs from 30 to 20 percent. The decline for milk (including farm butter and cheese) was from 21 to 11 percent; potatoes from 25 to 12 percent; vegetables, 50 to 42 percent; and melons, 38 to 22 percent. For livestock products as a whole, 18 to 9 percent; and for crops, 14 to 7 percent.

The average retail or market value of all food consumed *at home* per person increased about 12 percent from spring 1942 to spring 1955, measured in terms of 1955 prices.

Food expenditures for home consumption by rural nonfarm and farm people rose significantly more than the increase in the retail value of all food used at home. Much of the increase in expenditures was to supply foods formerly home produced.

Home food production by farm and rural nonfarm households declined between spring 1942 and spring 1955. The decline was proportionally greater for rural nonfarm households. These decreases were general at all income levels within both groups. Most of the cutback was in livestock products.

There was no marked change in the average amount of fruits and vegetables consumed per person, but the propor-

tion of these commodities that had been home produced by farm households fell from 58 to 37 percent. Home production of sugars, sirups, and cereal products by farm households declined to relatively insignificant levels.

Why has home food production declined? AMS sees a number of reasons.

Farm population has declined since 1942. There was a net shift of between 7 and 8 percent of U. S. population from the farm to either rural nonfarm or urban categories between 1942 and 1955. That alone lowered the relative importance of home-produced foods in total food consumed at home from 18 to 14 percent.

A number of other factors have encouraged purchases of food rather than home production of food. For example, it is much easier for rural people to buy than it used to be, because roads are better and good food markets much more accessible.

Off-farm employment, especially in urban areas, has made it less convenient to produce food at home, easier to purchase food commercially. School consolidations and mechanization of farms and farm households also affect farm ways of living and eating.

Deep Freeze, Opposite Factor

One factor that works in the opposite direction has been the great increase in home production of beef and veal by farm families using locker plants and home freezers.

Summing up, analysis of AMS data on food supplies and civilian consumption in 1941 and 1955 and measurement of changes in terms of 1947-49 farm prices reveal that 9 percent of farm food sales in 1955 merely supplied foods that would have been home produced under 1941 conditions. The figure was higher, 10 percent, for livestock commodities and lower for crops, 7 percent.

Marguerite C. Burk
Agricultural Economics Division, AMS

MORE LARD IN THE OFFING

Output of lard in the U. S., after 2 years of decline, will rise during the next 12 months. Lard output (including farm) in the marketing year which began October 1, as based on the most recent pig crop report, is forecast at around 2,700 million pounds, about 11 percent more than a year earlier.

Most of the increase will take place during the last half of the marketing year and will come from a prospective rise in hog slaughter as well as slightly higher lard yields per hog killed.

Supplies

Total supplies of lard in 1958-59 (carryover stocks on October 1, 1958, plus production) are placed at 2,750 million pounds, about 235 million more than in 1957-58.

Hog slaughter this fall is averaging about the same as last fall. The 1958 spring pig crop was only 2 percent larger than the 1957 crop and more gilts from this year's crop were retained for breeding. Slaughter in the early months of 1959 will be substantially above the low level of a year earlier because of the increase in this fall's pig crop. Reports in June were that hog producers planned to increase pig output 14 percent this fall. A September report for 9 Corn Belt States indicated that their plans were carried out fully and might even have been stepped up a bit. Hogs from the fall crop will arrive at markets beginning early in 1959.

Breeding intentions indicate that sows to farrow in those 9 States during the 1959 winter quarter—December 1958 through February 1959—would be up 20 percent from the same period a year earlier. This may overstate the prospective increase in the spring total, as a further shift to early farrowing dates may be occurring. But a substantial rise in the total 1959 spring pig crop seems probable.

Annual changes in lard production are closely associated with similar changes in the number of hogs slaugh-

tered. Other factors which influence total output are the live weight of the hogs and lard yield per hog (see chart). The number of hogs slaughtered is of course the most important factor of the three.

A high hog-corn price ratio favors the feeding of hogs to heavy weights, particularly when hog prices are likely to be well maintained at a relatively high level, as was the case during 1957-58. Lard yields are likely to increase in 1958-59—as usually happens when hog slaughter rises—because of a tendency by the packers to trim more fat from pork cuts.

Lard prices (in tank cars, Chicago) averaged 11.6 cents per pound during 1957-58, 1.1 cents below the previous year. Lard prices October 1, the beginning of the 1958-59 marketing year, were 11.3 cents per pound, about the same as October 1957. Lard prices this fall and winter may not average much different than the 11.3 cents during the first half of 1957-58. However, lard prices in the second half of the 1958-59 marketing year probably will average somewhat lower than a year earlier as hog slaughter gathers momentum. The average price for the entire season probably will be a little lower than last year, unless the fats and oils situation changes greatly.

Disappearance

Domestic disappearance of lard in 1958-59 is forecast at 2,200 million pounds, about 8 percent more than the previous year. The rise would mainly reflect increased usage of lard in the manufacture of shortening. This is the lard which is blended with other fats or oils in shortening manufacture. The direct use of lard as such has been relatively stable in recent years at around 1.6 billion pounds, representing about 75 percent of total domestic disappearance. On a per capita basis, the direct use has shown a long-run downtrend. It has declined from 14.4 pounds per person in 1940 to an estimated 9.5 pounds in 1958. A rea-

sonable assumption is that the direct use of lard in 1958-59 will remain at about the year-earlier level, and that about 550 million pounds of lard would be used in the manufacture of shortening, adding to the domestic total of 2,200 million pounds.

It is in the manufacture of blended shortenings that lard competes with other edible fats and oils, mainly soybean oil. Because of the interchangeability of these fats and oils in the production of shortening, the relative prices of the raw materials primarily determines the quantities used in this market outlet. Lard will be cheaper relative to soybean oil during most of 1958-59 than it has been in the past year and the use of lard in shortening likely will increase. Furthermore, there has been an increased tendency for shortening manufacturers to use lard in the manufacture of their product.

Exports and shipments of lard during 1958-59 probably will rise around 25 million pounds, or 6 percent, above the 435 million pounds in 1957-58—which was a relatively small movement.

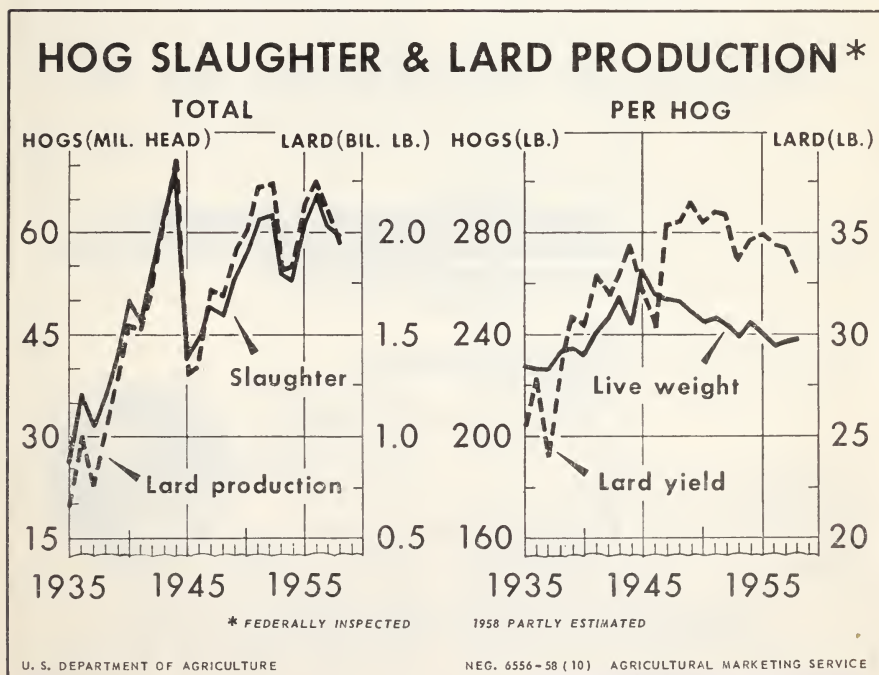
While foreign supplies in some importing countries are likely to remain large, lower U. S. lard prices and the greater availability should encourage larger exports.

Market Outlets

Exports, domestic use as lard, and domestic use in shortening are the three market outlets accounting for the total disappearance of lard. If estimated requirements for these outlets are substantially accurate, about 90 million pounds of lard will be carried over on October 1, 1959, about double the small beginning stocks.

A further increase in lard output in 1959-60 is in sight. Output probably will increase following a rise in the 1959 hog production. The 1959 spring pig crop will be substantially greater than the 1958 crop and the 1959 fall crop also will likely increase. The combined spring and fall pig crops will provide most of the hogs slaughtered during 1959-60.

George W. Kromer
Agricultural Economics Division, AMS



Bigger Feed Outlets For Inedible Fats

Farmers themselves are using up much of the surplus of inedible fats they produce, and in doing so they obtain an improved type of highly nutritious feeds, thanks to the rapidly expanding use of tallow and grease in livestock feeds.

This increased use of fats in feeds was found by researchers of the Marketing Research Division in a survey of practically all feed manufacturers in this country. The survey reveals that use of fats and oils in prepared animal feeds more than doubled between 1954 and 1956. There are indications the trend has continued sharply upward through 1957 and into this year.

New Outlet

Of the 324 million pounds of fats and oils used in prepared animal feeds in 1956, 300 million pounds were tallow and grease. The feed industry used about 18 percent of all the inedible tallow and grease consumed in the United

States in 1956. Only the soap industry provided a bigger outlet.

Bureau of the Census monthly figures on use of fats and oils in feeds are not strictly comparable, because they do not include many of the establishments which reported in the Marketing Research Division survey. However, these Census reports indicate use in 1957 was 30 percent higher than in 1956. On the basis of data so far available, the upward trend has continued this year.

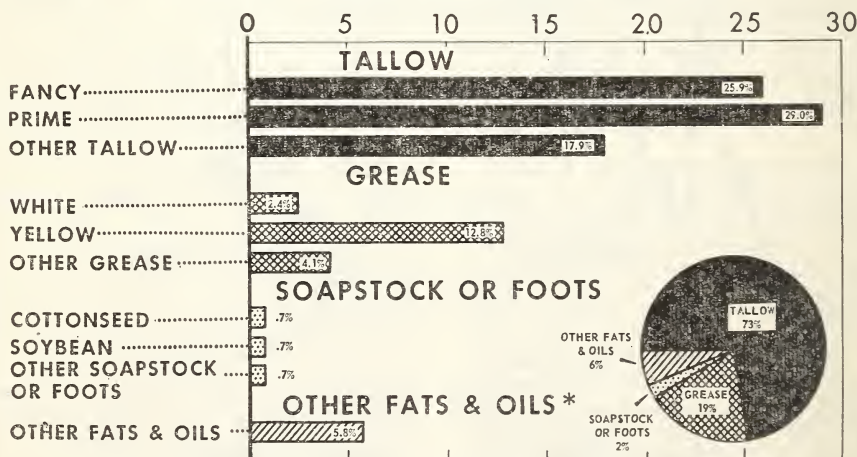
Producers of inedible fats did not have this outlet prior to 1952, because mixed feeds containing added fat were practically non-existent before that year. Problems of oxidation and rancidity of fats had to be worked out by the Department's Eastern Utilization Laboratory and others, before growers, livestock feeders, and manufacturers of mixed feeds could benefit.

Harry O. Doty, Jr.
Marketing Research Division, AMS

By Kind and Grade

FATS AND OILS USED IN PREPARED ANIMAL FEEDS, 1956

% OF TOTAL USED (324 MIL. LBS.)



* INCLUDES OTHER ANIMAL AND VEGETABLE OILS, MARINE OILS, AND FATTY ACIDS; DOES NOT INCLUDE FORMULATED VITAMIN OILS OR THE OIL CONTENT OF SUCH OIL BEARING MATERIALS AS COTTONSEED MEAL, SOYBEAN MEAL, FISH SOLUBLES, TANKAGE, MEAT SCRAP, UNRENDERED ANIMAL FATS, ETC.

Favorable growing conditions pushed prospective crop production even higher during September. Grains are leading the way to a new record all-crop total.

Feeds

In September corn prospects improved 3 percent, sorghum grains 5 percent—both to new highs. A record barley crop and an above average oats crop are helping push the feed grain total 8 percent above last year's record. Corn and sorghum grain prices have declined with harvest of the big 1958 crops. Prices for corn probably will hit their seasonal low earlier and recovery is likely to be more rapid than last year when high moisture delayed marketings.

Livestock

Slaughter of cattle off grass is continuing to run below a year earlier. This has pulled total slaughter below 1957, despite larger marketings of fed animals. Feeder cattle prices are expected to remain at about recent levels this winter.

Dairy

Farmers' prices for milk and butterfat have risen seasonally but remain a little below last year. Production is continuing a little under 1957 levels.

Eggs

Prices were declining seasonally in October and are likely to stay below a year earlier the next 6 months. Compared with 1957, the laying flock is increasing and the rate of lay per bird is running higher.

Broiler marketings will continue above 1957 the rest of the year. Prices have dropped below year earlier levels and little recovery is likely the next few months when demand will be seasonally low.

Wheat

This year's record wheat crop is 53 percent above 1957. Slow marketings are the main reason for the advance in wheat prices in September. Prices in most markets in mid-October compare with the loan about the same way they did at this time last year. Main exception is white wheat in the Pacific Northwest where prices last year were high compared with the loan.

Farm Income

Income in agriculture continues above last year. Figures on cash receipts from sales of farm products for the first three-quarters of 1958 show an 11 percent gain over the same months of 1957. Prices averaged 6 percent higher while the volume of marketings was up 5 percent.

Oilseeds

This is a banner year for oilseeds. Soybean prospects rose 2 percent in September to a record 573 million bushels. Flaxseed and peanuts also improved, but cottonseed slipped. Total oilseed tonnage is 18 percent above last year's record. Soybean prices to farmers probably will drop a little below the loan as the record crop is harvested. They're likely to rise later in the season, but are not expected to exceed the loan level very much during the marketing year. Farmers are producing 55 percent more flaxseed than last year's short crop. Production will probably exceed commercial use by about one-third and prices probably will average near the loan level.

Cotton

Cotton ran counter to the general trend in September. Production prospects declined and the crop is estimated at 11.7 million 500-pound bales, down 430 thousand bales from early September, but 700 thousand above last year. Total cotton supply for 1958-59, in running bales, is estimated at 20.5 million, smallest since 1952-53.

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UNITED STATES
 DEPARTMENT OF AGRICULTURE
 AGRICULTURAL MARKETING SERVICE
 WASHINGTON 25, D. C
 OFFICIAL BUSINESS

Farmer's Share of Consumer's Food Dollar

August 1957 -----	41 percent
July 1958 -----	39 percent
August 1958 -----	39 percent

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Articles In This Publication

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